

AMENDED IN ASSEMBLY APRIL 11, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2439

**Introduced by Assembly Member Eng
(Coauthor: Assembly Member Skinner)**

February 24, 2012

An act to add Section 19573 to the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL’S DIGEST

AB 2439, as amended, Eng. Corporation taxes: payments: disclosure.

The Personal Income Tax Law and the Corporation Tax Law impose taxes on, or measured by, income. Existing law requires the Franchise Tax Board to make available as a matter of public record each calendar year a list of the 250 largest tax delinquencies in excess of \$100,000, and requires the list to include specified information with respect to each delinquency.

This bill would require the Controller, upon receipt of *specified* tax payment information *that the bill would require to be* disclosed by specified corporations, to both publish that payment information and make that information a matter of public record, as provided. This bill would also make findings and declarations regarding this provision.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

1 (a) Publicly traded corporations are required to disclose their
2 federal and state corporation tax payments to the federal Securities
3 and Exchange Commission through the Form 10-K. State tax
4 payments, however, are aggregated without regard to state, so the
5 information available at the federal level does not specify particular
6 states.

7 (b) Recent changes in the state's Corporation Tax Law which
8 provide for the elective use of single-sales factor apportionment,
9 combined with other provisions in this area of tax law, have had
10 little analysis and scrutiny with regard to their impact on taxpayers
11 and California.

12 (c) Therefore, it is the intent of the Legislature, in adding Section
13 19573 to the Revenue and Taxation Code, to supplement federal
14 tax reporting requirements for those corporations filing a Form
15 10-K by adding a single data point that is reported to the Controller
16 and made publicly available. This single data point discloses the
17 amount of specified tax payments made to the state by those
18 corporations already required to disclose their federal and state
19 tax payments.

20 SEC. 2. Section 19573 is added to the Revenue and Taxation
21 Code, to read:

22 19573. (a) (1) Each corporation that is required to file an
23 annual Form 10-K with the federal Securities and Exchange
24 Commission shall annually disclose the payments made pursuant
25 to Part 11 (commencing with 23001) for the previous taxable year
26 to the Controller within three months of the corporation's filing
27 deadline.

28 (2) *On or before April 1, 2013, each corporation that is required*
29 *to file an annual Form 10-K with the federal Securities and*
30 *Exchange Commission shall disclose the payments made pursuant*
31 *to Part 11 (commencing with 23001) for the 2010 and 2011 taxable*
32 *years to the Controller.*

33 (b) (1) Notwithstanding any other provision of law, the
34 Controller shall publish the payment information disclosed pursuant
35 to subdivision (a) on its Internet Web site and shall maintain a
36 record, available to the public, of that information.

37 (2) If the payment amount is contested or otherwise under
38 dispute, by either the taxpayer subject to the taxes imposed
39 pursuant to Part 11 (commencing with Section 23001) or the

- 1 Franchise Tax Board, the Controller shall include that information
- 2 on the Controller's Internet Web site and in its records.

O